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Trade Policy Monitoring

Draft European Parliament report supports barrier free EU-US agricultural trade

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Report Highlights:

The Committee on International Trade of the European Parliament has released a report focusing on the economic dimension of EU-U.S. relations. The report points out the potential for growth and employment in the Transatlantic market that lies untapped due to remaining barriers and pleads for a process of gradual regulatory alignment and mutual recognition of rules and standards

Includes PSD Changes: No
Includes Trade Matrix: No
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The Committee on International Trade of the European Parliament has released a report focusing on [the economic dimension of EU-U.S. relations](http://www.europarl.europa.eu/registre/seance_pleniere/textes_deposes/rapports/2006/0131/P6_A(2006)0131_EN.doc) ([http://www.europarl.europa.eu/registre/seance_pleniere/textes_deposes/rapports/2006/0131/P6_A\(2006\)0131_EN.doc](http://www.europarl.europa.eu/registre/seance_pleniere/textes_deposes/rapports/2006/0131/P6_A(2006)0131_EN.doc)). Simultaneously, a report concentrated on the [political and foreign affairs issues](#) has been prepared by the Committee on Foreign Affairs.

The Economic report is structured under four main sections:

- Firstly, the section **"A de facto Transatlantic Market"** analyses the extent to which the EU and the U.S. economies have become interdependent. In this section trade, investment and affiliate profits are analyzed, and a OECD study is cited to highlight that a fully integrated transatlantic economy, eliminating all of the remaining non-tariff barriers could yield GDP growth of up to 3 %, both in the U.S. and in Europe. The report points out the potential for growth and employment in the Transatlantic market that lies untapped due to remaining barriers, and second, the relationship should not be taken for granted, requiring a degree of political engagement and attention.
- The second section, **"the way ahead: a stronger transatlantic partnership"** proposes, after a decade of EU-US relations governed by the 1995 New Transatlantic Agenda, a new Agreement that leads to the achievement of a "barrier-free transatlantic market" by 2015 with a 2010 accelerated target date for financial services and capital markets, through a process of gradual regulatory alignment and mutual recognition of rules and standards.
- In view of the upcoming 2006 Summit, the third part deals with the **results of the EU –U.S. Economic Ministerial of November 2005**. It covers the 11 areas of the Joint EU-U.S. Work program to move forward transatlantic economic integration. The second part of this section deals with issues that go beyond the Work Program but do require specific attention (i.e. WTO Dispute Settlement or the DDA). It noted that the WTO disputes concern less than 2 % of trade, the reporter stresses that a more pro-active regulatory dialogue could be one way to ensure EU and U.S. regulations – which often pursue similar objectives – are also mutually supportive to trade.
- The fourth and last part is about the **role of the European Parliament**. A meeting prior to every Summit between the Transatlantic Legislators Dialogue (TLD) and the Senior-Level Group to exchange views on the progress of the Work Program is recommended.

The opinions of the different Parliament Committees are part of the report.

The European Farmers Coordination ([EFC](#)) and the U.S. National Family Farm Coalition ([NFFC](#)), both members of Via Campesina, believe a free trade area would promote the American agri-industrial model in Europe, particularly in the meat and livestock sector, with disastrous consequences for the environment, health and sustainable small-scale farming. The two organizations are calling on the European Parliament to reject the report.

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